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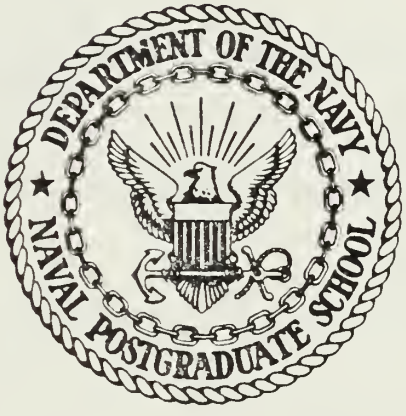

THESIS

STRATEGIC PLANNING IMPLEMENTATION
IN INDONESIA'S TRANSMIGRATION PLAN

by

Joewono Swandojo

June 1984

Thesis Advisor: R.A. McGonigal

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Currently, strategic planning, if it has been implemented properly, is apparently the only way to obtain a successful effort for each institution (both government and private sectors) in accomplishing given goals.

This thesis attempts to study the implementation of strategic planning in Indonesia's Transmigration Plan. For that purpose, some additional analysis for similar efforts in other countries is also included in order to give more comprehensive

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Some conclusions and recommendations are generated to improve the strategic planning implementation in the future.

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Strategic Planning Implementation in Indonesia's Transmigration Plan

by

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MASTER OF SCIENCE IN MANAGEMENT

from the

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Some conclusions and recommendations are generated to improve the strategic planning and implementation in the future.

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I. INTRODUCTION

A. BACKGROUND

Strategic planning in the public sector as well as in the private sector has become more important since the rapid changes in technology. This has significant impact upon the degree of uncertainty for the social systems, particularly in management.

Strategic planning is a term that has been introduced into the terminology of management in recent years to describe the task of choosing future directions and areas of concentration for an organization. The aim of strategic planning in general is to ensure that the present and future activities of an organization are approximately matched to conditions in the environment in which it must operate.

Strategic planning is different in many respects from other forms of planning that consist of the construction of an orderly sequence of tasks that, when properly implemented, will result in the achievement of an objective. The work of strategic planning consists of the detection and consideration of opportunities and threats that may arise in the external environment of an organization.

Even when strategic planning has been formulated properly, the rapid change of the environment (technology, politics, social values,etc.) are always uncertain and unpredictable. This causes the implementation of strategic planning to be less smooth than expected. Therefore, the implementation of strategic planning must be evaluated and revised continuously to anticipate the changes of the environment in order to approach the meeting of objectives.

In dealing with the rapid growth of population and inflation caused by the world's recession, many nations, particularly in the developing countries have been faced with lower income per capita. This in turn causes other problems such as friction in social setting, urbanization, etc. Some strategic plans as a prescription to eliminate these problems have come from many experts and sources. Some suggested that less developing country must concentrate on physical capital formation. But the investment in human resources is also important. Some suggested that industrialization should be emphasized, but not at the expense of agricultural production and productivity.

All of these suggestions are ambiguous and difficult to delineate but each less developed countries will have to make all of them, implicitly or explicitly by stated goals and the attempt at movement towards these goals.

Internal migration is always a complicated problem facing each government, particularly in populous and less developed countries. It is caused by the flowing of the low income people, who are usually less educated from rural areas to urban areas and who are driven by the belief that they will have more opportunity to get better jobs and increase their income rather than by staying in the rural areas.

Indonesia with 147.5 million of people and a relatively high growth rate (2.32 percent per year) in 1980 [Ref. 1], is now the fifth most populous country in the world. This country, as with other countries which have been considered as populous and less developed, is facing shortages in food, health facilities, education facilities, etc. caused by internal migration and growing population.

As one of the effort dealing with the internal migrations, the government initiated and is conducting a "Transmigration Program" which is aimed at intensifying the

spread of the population and opening up and developing of new production areas, especially for agricultural purposes, in the form of regional development, particularly outside Java and Bali islands, to guarantee the improvement of the living standard of the transmigrants and the surrounding communities. [Ref. 2].

In order for there to be a more successful effort in accomplishing this program, the author believe that strategic planning in the entire program is increasingly needed. Whether strategic planning has been implemented properly in the Transmigration Plan for implementing this program and what else can be done for improvement in the future will be discussed throughout the thesis.

B. OBJECTIVES

The objectives of this thesis are to detect, using analysis, any leakages and/or weaknesses of the strategic planning implementation in Indonesia's Transmigration Plan, and then to generate conclusions and recommendations.

Comparable studies from other countries in the similar problem area are examined in order to get a more objective evaluation from the existing systems for future improvement.

C. THESIS STRUCTURE

This thesis consists of five chapters, and is structured as follows:

Chapter One is the introduction. It contains the background and the thesis objectives.

Chapter Two discusses the theory of strategic planning, from strategy, planning, to the implementation of strategic planning in general as it has been used in the business sector rather than in the government sector. For the public sector, some modification must be made because of difference

in its objectives. Migration is discussed in this chapter in order to clarify and acquire understanding of the cause of the transmigration problem in Indonesia.

Chapter Three presents Indonesia's Transmigration Plan by giving some overviews of the Geographic Background, Demographic and Racial Background, The Main principles of Indonesia's Development Plan, and the Transmigration Plan.

Chapter Four seeks to analyze the strategic planning implementation in Indonesia's Transmigration Plan.

Chapter Five gives some conclusions and recommendations for improvement of future implementation.

II. STRATEGIC PLANNING AND MIGRATION.

A. STRATEGY

A great amount of confusion exists on the part of practitioners and academicians about what is meant by the term strategy. The word "strategy", which derives from the ancient Greek word "strategos", meaning "the art of the general", has since taken on a variety of broad and often ambiguous definitions.

Everyone seems to have a different concept and definition. Some people view strategy as a general plan to reach predetermined objectives, while others see it as identifying general directions for the organization to follow such as survival, or growth, or retrenchment. Some see strategy as having to do with the deployment of resources. Still others equate it with long-range planning.

Strategy, initially comes from and has widely been used in the military in accomplishing their tasks to win a war. In the military term, many definitions have been given .

Von Clusewitz [Ref. 3] defined strategy as the art of the employment of battles as a means to gain the object of war. In other words, strategy forms the plan of the war, maps out the proposed course of each different campaign and regulates the battles to be fought.

Von Moltke [Ref. 4] defined strategy as the practical adaptation of the means placed at a general's disposal to the attainment of the object in view, while Liddel Hart [Ref. 5] came up with a shorter definition, that strategy is the art of distributing and applying military means to fulfil the ends of policy.

Strategy depends for success, first and foremost, on a sound calculation and coordination of the end and the means. The end must be proportioned to the value and needs of that intermediate end, whether it be to gain an objective or to fulfil a contributory purpose. The aim of strategy is to fulfil the objectives laid down by policy, making the best use of the resources available. An excess may be as harmful as a deficiency. Broadly speaking, strategy in military term is concerned with the movement of troops before they come into actual collision [Ref. 5].

Strategy may be a single entity in so far as object and method are concerned. But when it comes to applying it, it must necessarily be sub-divided into specialized categories of strategy, each applicable only to a certain field of

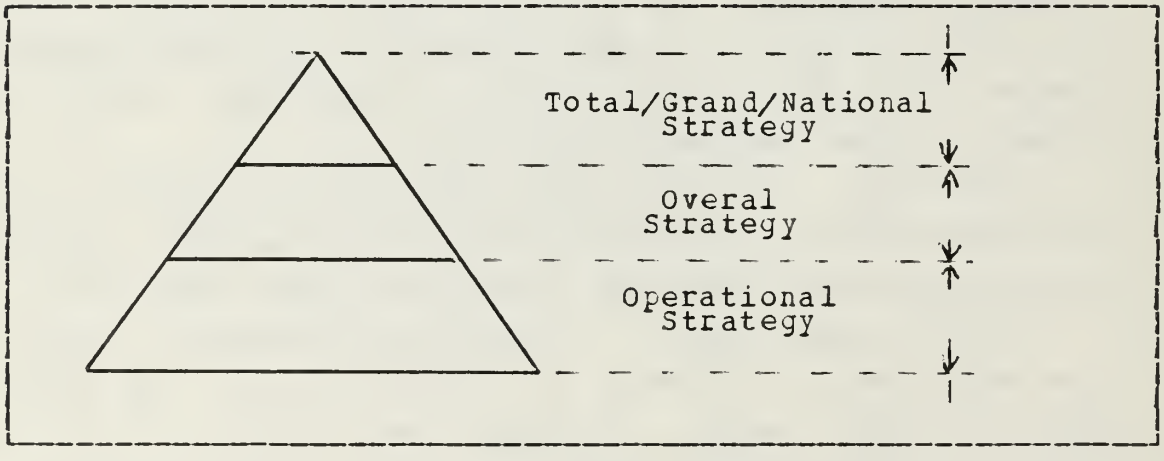


Figure 2.1 Division of Strategy in the Military.

conflict. The structure of the strategy's sub-divisions form a pyramid (see Figure 2.1).

At the top of the pyramid, is total strategy, sometimes called grand strategy, or national strategy, whose task is to lay down the object for each specialized category of strategy and the manner in which political, economic, also

diplomatic, and military factors may be woven together. Below the the level of the total strategy, is an overall strategy, in which the function is to allot tasks and coordinate the various forms of activity within the field concerned.

Within each branch of activity, according to Liddel Hart [Ref. 5] there is a need to have a distinct category of strategy. This is the level at which concept and implementation meet, when the optimum must be adjusted to those things that are possible in the light of technical limitations and called operational strategy. Its purpose is not only to harmonize the objective laid down by overall strategy with the capabilities of tactics and techniques in use in the branch concerned, but also to ensure that those tactics and techniques are developed in the directions which will best fit them to meet future strategic requirements.

Furthermore, strategy, strategic planning, and the strategy formulation process have been defined in various ways in the academic literature, and are usually applied in the business environment.

A useful and current definition is from Hofer and Schendel [Ref. 6], that strategy is the fundamental pattern of present and planned resources deployments and environmental interactions that indicate how the organization will achieve its objectives. They further suggest that a critical aspect of top management's work today involves matching organizational competencies with the opportunities and risks created by environmental changes in ways that will be both effective and efficient over the time such resources will be deployed.

Steiner [Ref. 7] said that the basic characteristics of the match an organization achieves with its environment is called its strategy.

All of them have indicated that the concept of strategy is thus one of top management's major tools for coping with both external and internal changes.

Different concepts of strategy derived from the world of business, in which the applications of the strategy depend upon the structure of individual enterprises. Strategy is divided into three major categories which consist of corporate strategy at the top level, followed by business strategy in the middle, and functional strategy at the lower level.

Ansoff [Ref. 8] sums it up with 'enterprise strategy' as the fourth or the lowest level (see Figure 2.2).

Strategy is a human construction. So, it must be noted that in the long-run the strategy must be responsive to

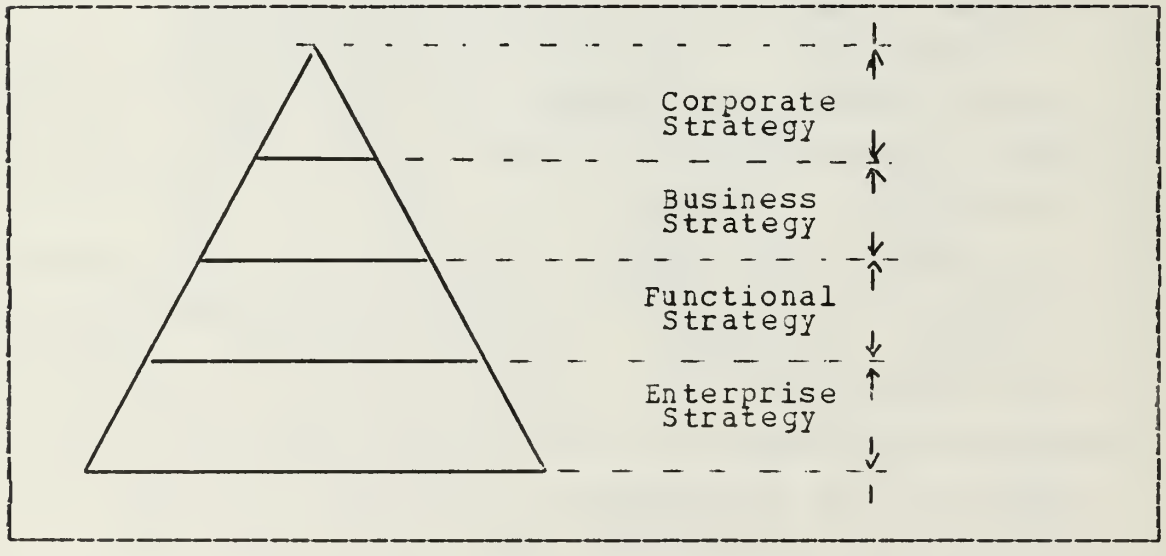


Figure 2.2 Strategy division in business.

human needs. It must ultimately inspire commitment. It must stir an organization to successful striving against the competition.

The formulation of strategy basically consists of six steps: First, to record the current strategy. This step can and should act as the foundation for subsequent steps in the formulation of new strategies. The second step of the strategy formulation is to identify the strategic problems, because these problems can take the form of threats or opportunities in the environment. Failure to meet plans, adverse trends with respect to share of market, competitive advantage,etc., must be identified and must be incorporated into the strategic formulation.

The third step in this strategy formulation, is to discover the core elements. If the second step highlights have any serious problems, it is necessary to discover their core. A diagnosis in respect to the company's performance against current plans and strategies and a prognosis as to the future consequences of continuing the current strategy are both involved in this step. The fourth step, to formulate alternatives is critical. Once the core of the strategy problem has been discovered, management can formulate alternative ways of solving the problem. Consideration must be given to all possible ways to solve the problems and it is a time for imagination and not just logic.

The fifth step of the strategy formulation, is to evaluate alternatives. In this step, management looks at the bearing of the various vital factors on the choice of a strategy. The alternatives must be compared in terms of the relative effectiveness in solving the strategic problems, the degree to which each matches the company's competence and resources, their relative competitive advantage, the extent to which they satisfy management's preferences and sense of social responsibility, and their relative ability to minimize the creation of new problems.

The sixth step, is to formulate a new strategy. In this step, management identifies factors which are of overriding

importance. These are the factors on which the decision turns. In the strategy problem, where there may appear to be five or six relevant factors of significance, one or two of them may seem pivotal, and the relative standing of the alternatives with respect to these factors provides the basis for the final choice.

The implementation of strategy is comprised of a series of subactivities which are primarily administrative. If purpose is determined, then the resources of a company can be mobilized to accomplish it.

B. PLANNING

Today there is no generally accepted meaning of planning and plans. Even if a Confucius were made ruler of the world it is doubtful that he could fix a meaning for these terms that would be received as the only definitions.

The word planning comes from the Latin 'planum", meaning 'flat surface". The word planning according to the Oxford Latin Dictionary [Ref. 9], is the simple or straightforward sense of a word or statement. To day, the word planning encompasses such a broad scope of human activity that any simple definition is insufficient to convey its full meaning.

A plan is any detailed scheme, program or method worked out beforehand for the accomplishment of objectives. Inherent in this are three elements. A plan must deal with the future, must involve action, and must identify who is to implement that future action.

Ackoff [Ref. 10] defined planning as a design for achieving a desired future result, whose purpose is to establish an effective means of achieving that desired result. It is a process done in advance of taking final action; that is, it anticipates decision making. It means

that a company must determine where it has been, where it is now, and where it wants to be in the future. Planning's purpose is to manipulate the present in a systematic fashion in order to be prepared for the future.

Terry [Ref. 11] said, that planning is one of the basic tasks of management. If the process of management is divided into four fundamental functions, namely planning, organizing, actuating and controlling, planning becomes the key function. Managers organize, actuate, and control to assure that goals are reached according to plan.

Planning is the production of a range of meaningful potentials for selecting courses of action through a systematic consideration of alternatives. The need for organizational planning is obvious; the future is uncertain and always unpredictable.

For this reason, it is essential that any organization clarify its objectives, determine what action must be taken to achieve the objectives, and by whom, and also be able to determine the cost to achieve the goals.

Since the future is uncertain, planners must work with uncertainty. Assumptions must be made to simplify problems. Therefore, the ultimate outcome of any plan may not be what was expected at the start. Proper planning which includes the ability to adapt the plan to changing information cannot guarantee that the future can be predicted with accuracy or that mistakes will not occur. Many people have been disappointed in planning for this reason. They expected too much from planning. Green [Ref. 12] emphasizes that proper planning is not a "crystal- ball", but it is a means by which management can minimize unfortunate events.

In this decade of tremendous increase in speed, complexity of problems, competition, and the rate of change of the environment, an up-to-date planning process is a must. Enlightened managers can no longer rely solely on

experience to judge whether they are meeting their original objective. They must have a system that provides them with the information to assess whether they are optimizing performance in a changing environment. Many formulas and methods have been developed and suggested in order to make a good plan with their specific reasons based on management theory and experience.

Steiner [Ref. 7] summarized the steps of traditional approach to planning, as follows:

1. Information gathering.
2. Review of organizational missions and objectives.
3. Choice between alternative courses of action.
4. Development of detailed plans and allocation of resources to activities.
5. Implementation of the detailed plans.
6. Evaluation of the results of the activities as a preliminary to a new planning cycle.

C. STRATEGIC PLANNING

The process of planning for future action has been addressed in many ways, and called by many names, such as "long-range planning", "comprehensive planning", and "corporate planning". None of these are definitive of the content of the process and they have often been misused and abused in application.

Because the involvement of management at all levels is essential to the process, the term "corporate planning" has been used to describe the activity. Redman [Ref. 13] defined corporate planning as the program which developes long-term strategy and evaluates short-range strategies, business decisions, and judgments against that strategy in order to identify future opportunities.

Prior to any presentation on how corporate planning is done there is a need to understand the responsibility that the participants have for decision-making. The responsibility that each of the levels of management has in the decision-making process is indicative of the role that each must fulfill in the planning process.

In the business environment there is a premise that there are three decision-making characteristics in planning and controlling a business, and that the levels of management have a clearly defined responsibility in each. One of them is "strategic planning" which involves functional management and general management. Strategic planning is concerned with establishing objectives, providing resources, setting policies to govern acquisition, use, and disposition of resources.

Strategic planning is a new phenomenon in business management. It started in the early 1960's where managers in large organizations attempted to formalize the planning activities and to focus them on affecting the strategic direction of their erterprises.

The most vocal and visible advocate of such efforts was Robert S. McNamara, who left the presidency of Ford Motor Company in 1961 to become Secretary of Defence in the Kennedy Administration.

At Ford McNamara had developed a method of multi-year planning which helped him gain perspective on the key strategic decision in that company. He carried this management technology with him into the Pentagon, applying it to an organization more than ten times the size of Ford with apparent great success.

Mr. McNamara's abilities as a manager and the role of long-range planning as an essential ingredient to his effectiveness were widely discussed in the popular press. Managers of large organizations all over the country began

wondering if they, too, should attempt such an effort. Managerial interest in the design of strategic planning systems was mushrooming in 1968 and the development of strategic planning systems matured rapidly during 1968 - 1972.

Anthony [Ref. 14] defined strategic planning as the process of deciding on objectives of the organization, on changes in these objectives, on the resources used to attain these objectives, and on the policies that are to govern the acquisition, use, and disposition of the resources.

The main purpose of strategic planning is to select future areas of activity and future courses of action for the organization. This planning must keep in mind the mission of the organization, its objectives, and the values and preferences that can be attributed to it. The idea of strategic planning is that strategic planning is the equivalent of the simultaneous considerations of the set of interdependent decisions facing an organization.

The primary aim of strategic planning is to choose a set of activities for the organization that will result in a high degree of achievement of its objectives. An important result of the process, is that the activities of the organization are closely matched to the environment in which it operates.

The outline of the traditional's approach of planning by Steiner which has been mentioned above, in the general sense, conforms with strategic planning. For example, the first step of the outline -- information gathering-- is an important part of the strategic planning. This is true, not only in the initial stages of the process, but continuously throughout the formulation of future directions and courses of action.

In similar fashion, a review of organizational missions and objectives is an essential preliminary to strategic planning, and a constant activity throughout the continuing

process. The sixth step-- evaluation of the results of the activities as a preliminary to a new planning cycle --is also an important part of the strategic planning process in order to maintain the continuation of the process as has been mentioned above.

Mockler [Ref. 15] stated, that the process of strategic planning provides as output a set of strategies and policies that constitute a framework for planning and decision making throughout the organization. Since these strategies and policies emerge directly from the planning process, they are seen by all concerned as natural extensions, and the amplification of the organizational objectives on which the process is based.

The output from strategic planning also provides a basis for considering the internal structure of the organization. It is necessary that this structure be designed in a manner that is appropriate to and complementary to the activities in which the organization will be engaged.

Strategic planning is concerned with change, which is always uncertain, and continuous. Strategic planning deals with effectiveness (deciding the right things to do) rather than with efficiency (deciding how to do the things right), which is what operation planning is all about. It means determining the grand design of the enterprise, where and what we want to be in terms of years (5 years, 10 years, 15 years,etc.), and how we will get there. It is more concerned with direction and thrust than with precision.

Strategic planning also requires the deliberation of alternative ways to achieve long range objectives, bearing in mind external developments, risks and resources available, beside the allocation of limited resources to competing demands, which means setting priorities. To build a distinctive niche, to remain successful, it is usually necessary to withdraw support from marginal activities in order to concentrate on the best opportunities.

Strategic planning requires the involvement of managers in the process of developing and communicating strategic decisions in order to gain their commitment to plans and achieve unity of purpose.

Strategic planning is not necessary concerned exclusively with matters that are long-range. Whereas some strategic considerations are long term by their very nature, others may arise as a result of sudden and unpredictable changes in the external environment of an organization. These changes sometimes require significant modification of the future directions and activities of the organization concerned.

Marvin Bower [Ref. 16] stated that strategic planning and long-range planning are not synonyms. It is true, since the methodology of the long-range planning was developed in the United States in the fifties, with deep influences from planning technology stemming from countries with long-range planned economies, based upon the extrapolation of past situations.

Because the present conditions are not the same as those in the past, it is very risky to extrapolate the future. So, the relevant changes must be made, in this stage, strategic planning exists.

Strategic planning, according to Hover [Ref. 17], typically is described in terms of two levels: business strategy, and corporate strategy. At the business level, strategy focuses on competition within a particular industry or product/market segment, whereas corporate level strategy is concerned primarily with defining the set of business activities the organization should be in. Whether at the business level or at the corporate level, however, strategy is formulated from the point of view of focal organization forces to deal with the external environment. It therefore is strictly unit based.

Business strategy deals with how the focal unit meets variations in its local environment. So, organizations respond to cyclical variations in the product life-cycle, emphasizing, first, a strategy of research and development innovation, then price and cost reductions, and finally, switching to marketing and advertising strategy.

Corporate strategy, on the other hand, deals with how the focal unit makes long term changes in its basic structure and activity in order to accommodate itself to a new and different environmental niches.

In the government institutions because of different objectives and environment from the business enterprises, strategic planning strives to provide and manage the resources available into an effective and efficient systems using scarce resources (fixed procedures, limited manpower, facilities, and budget constraint).

In order to implement the strategic planning, Dan Collier [Ref. 18] suggested that the organization must practice strategic management, while Peter Lorange [Ref. 19] suggested nine such requirements for the effective use in implementation.

To successfully practice strategic management, Collier also suggested that the company must follow a series of principles. First, the chief executive officer must be committed to see that the indicated decisions are made and carried out. Secondly, the company must be properly organized to practice strategic management. Third, the strategic plan must be credible. The fourth principle is that the functional action plan must support the strategy.

The fifth requirement is that corporate resource allocations must support the corporate goals and be realistic with respect to the strategic plan. The sixth principle is that the corporation must have a good monitoring and early warning system for strategy deviation. The last principle,

that the operating managers must be rewarded for their success in implementing the strategy.

D. MIGRATION

The migration of people for any set of reasons can be divided intc two grcups. The first group is the migration from cne ccuntry to the other. From the original country this group can be seen as "external migration", since they move out from the original country to the destination country. The original ccuntry called them "emigrants", while the destination country would call them "immigrants".

The reason for this type of group to leave their countriesis not always easy to identify but it seems primarily stem frcm political than economic motives such as being forced by repressive policies of the government, frustration and dissatisfaction with the government policies at their original countries, tribal conflicts, international conflicts, etc. Scme have emigrated because of their cwn decision to move based on their believe that they will have better living conditions in the new land rather than if they stayed in their original countries. This type of migrants usually can be found in European countries. This group is often composed of many social stratifications and usually want to beccme permanent residents in the new country. Many emigrants prefer to return back to their original countries if the situation permits. This type of migrants usually can often be found in Africa, Asia, and Latin America.

A unique example has been given by Durham [Ref. 20] where the rural poor in El Salvador were excluded from more than 60 percent of the nation's flatest and most fertile land. The competitive exclusion in El Salvador, forced increasing number of landless and land poor to cross the border to Honduras in search of land to farm, showing that political and economical reasons work hand-in-hand.

In dealing with immigrants and their impact on the established residents, every country has its own way. The pressure of Salvadorean immigrants in Honduras contributing to the mobilization of Honduran peasants in local defense groups and eventually into national peasant federations because they did not want their land to be occupied by the Salvadoreans. This issue became the principle cause of the Soccer War in 1969, which resulted in some 130,000 Salvadorean emigrants in Honduras returning back to El Salvador and adding to the unemployment problem there.

The U.S. government used another way to deal with Vietnamese and Cuban refugees. All of the refugees have been treated and resettled in a certain area by government initiation and Congressional approval based on "Human Rights" for moral and political reasons. For example, the first public mention of bringing Vietnamese refugees into the U.S. came in President Ford's State of the Union address. He told the Congress that the U.S. has a profound moral obligation to the Vietnamese [Ref. 21].

The second group is the migration from one place to another within one country, primarily because of economic reasons. Some of them have been forced by natural disasters like destructive flooding, earthquakes, volcanic eruptions, etc., while some of them have been driven by fact, assumption, and belief that in another place they will have more opportunity to get more money and that it is relatively easier to get a better job. This group flow pattern is called "internal migration" and usually often result in what has been called a "rural-urban problem". Examples are found in many countries in the world, particularly found in the less developed and populous countries.

Some examples of internal migrations can be seen in Brazil and the Dominica Republic caused by improper land use. In Dominica, for example, nomadic slash-and-burn

farmers (conquerors) were destroying valuable timber and causing large-scale soil erosion, with serious consequent problems in the catchment areas of dams. InBrazil policy in sugar export forced the small farmers into the agreste where ochre-colored high bush replaces the green forest, and vegetation thins out and gradually merges into the sertao [Ref. 22].

Both external migration and internal migration are difficult to cope with, since they deal with people of various personal needs, come from different social stratification and environments. Each country has its own way and depend upon its ability to identify the cause of migration, which policy will be used, what kind of resources are needed, etc.

The situation concerning the American Indian in the United States, for example, was not exactly the same as the way for the Indonesian government to deal with the increase in population density in Java, Madura, Bali, and Lombok Islands, even if both countries faced the same problem of the internal migrants. The U.S. government was faced with more intense problems of how to prevent the American Indians from total loss caused by their inability to adapt to the modern environment. In the other hand the Indonesian government faced intense need to distribute people from more densely populated areas to less dense areas in order to increase their income and to meet the need of the labor force for the acceleration of each region's economic development.

The author believes that in this kind of situation strategic planning is how to cope with this problem. The author also believe that even if the strategic planning in this particular problem has been carefully formulated, it is nothing then if it is not implemented properly.

III. INDONESIA'S TRANSMIGRATION PLAN

A. GEOGRAPHIC BACKGROUND

Indonesia is the largest archipelagic nation in the world. It consists of several main islands and archipelagoes totalling about 13,677 islands and islets of which about 6,000 are inhabited. These islands extending for 5,120 kilometers along the Equator form a natural barrier and the cross-road between two oceans, the Pacific and Indonesian oceans and a bridge between two continents, that of Asia and Australia. This formation has made the straits between the islands strategically important throughout history. Because of its strategic position, therefore, Indonesia's cultural, social, political, and economic patterns have always been conditioned by its geographic position (see Figure 3.1).

Because of its strategic geographical location and the availability of many natural resources which have never been tapped, since the 13th century Indonesia has been the target for colonization and exploitation mainly from European countries like Holland, Spain, Portugal, and Britain. Later the Japanese also utilized Indonesia's natural resources to supply their resources need in the Pacific War after this country able to defeat and to force out the Dutch form Indonesia in 1942 to 1945.

Figure 3.1 Geographic Position of Indonesia.

This country has a land and sea area of 4.8 million square kilometers, of which only approximately 1.9 million square kilometers are land. The sea is also an important part of Indonesian life, not only for its strategic position for regional and super power rivalries, but also because it provides the main store of protein for the daily diet. It is also functions both as a pathway for communication and as a cultural barrier. The difficulty of reaching the interior of many islands has served to foster social, cultural, and economic isolation among these ethnic groups.

Consisting of the territory of the former Netherlands East Indies and Portuguese Timor, Indonesia's main islands are Java, Kalimantan, Sulawesi, Sumatra, and Irian Jaya (formerly West Irian). This country also shares land borders with Malaysia in the Northern Region of Kalimantan, and with Papua New Guinea in the Eastern Region of Irian Jaya, while Singapore and Philippines share sea border with Indonesia.

Faced with this situation, a "Good Neighborhood Policy" has become necessary for all these countries in order to maintain the national interest of each country, e.g. the protection of national security and national resources from intruders.

The Indonesian archipelago has a highly complex geological history. This effected the nation's volcanic soil conditions, numerous mountain systems, and a variety of flora and fauna. The land, especially in the Java area, are generally covered by thick tropical rain forests where fertile soils are continuously replenished by volcanic eruptions which will eject lava which provides a high degree of fertility after several years.

On the island of Sumatra there is considerable of evidence of past volcanic activities, although the ejected material contained acid which caused the resulting soil to have less fertility compared with those of Java. Java is

considered as the most fertile among the islands, mainly because of the many volcanic eruptions. There are 112 volcanic centers of which 15 are active. Its coastal plains are not edged by wide swamps as in the case of Sumatra, Kalimantan, and Irian Jaya, and not bordered by coral reefs as in the case of the island of Sulawesi.

Indonesia is also known as an archipelago that has three distinctive area caused by its geological structure. The islands of Java, Sumatra, and Kalimantan, together with the small islands in between, stand on the Sunda shelf, which extends from the coast of Malaysia and Indo China. It is considered as a continuation of the Eurasian Continent, and the sea depth never exceed 700 feet. This region is very active seismicly.

Irian Jaya and the Aru islands stand on the Sahul shelf which stretches from the north coast of Australia northward, with the sea depth similar to the Java's group. Between these two shelves, in a sea area of great depth (reaching 15,000 feet), lie several islands, like Nusa Tenggara, Sulawesi, and Maluku. This region is marked by earth movements which will cause tidal waves with extremely complex ocean currents, and the presence of coral reefs and atolls surrounding the islands.

Another natural condition that forms a unique geographic area to Indonesia is that this country is also a highly volcanic region. A mountain area stretches from the Philippines to Eastern Indonesia. The other runs through Sumatra, Java, Bali, Timor to Ceram and Buru islands. The complexity of the mountain structures and the highly varied elevations throughout Indonesia affect climate conditions and the humidity of the regions. Of the approximately 130 active volcanoes in Indonesia mostly located in Sumatra and Java, more than 50 percent have erupted and caused severe damages.

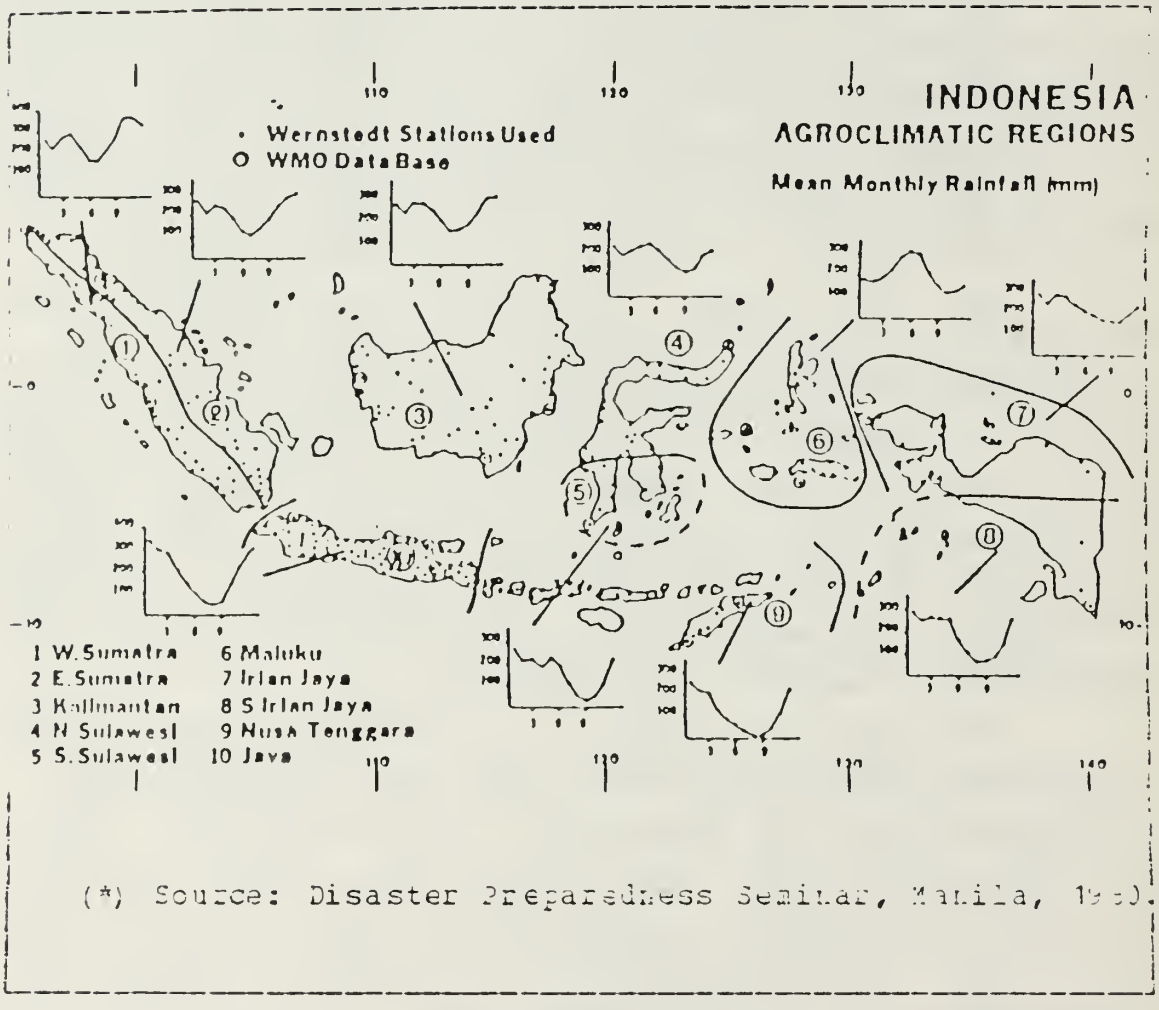
Because of its geographical and geological structure, Indonesia's climate and weather is characterized by an equatorial double rainy season. Its variation is caused by the equatorial circulation and the meredional circulation. The displacement of the latter circulation is closely related to the North-South movement of the sun and its position at a certain period with regard to the earth and the continents of Asia and Australia. These factors contribute to the displacement and intensity of the Inter-Tropical Convergence Zone being an equatorial trough of low pressure. This characterizes the weather of Indonesia, while the prevalence of the West Monsoon and the East Monsoon (the rainy and dry seasons) are characteristic of Indonesia's climate.

The rainy season in Indonesia is generally from the months of December to March and the dry season from May to September. The period between April and October and November can be regarded as the transitional period. The pattern of rainfall is closely related to the wind pattern. The month of January is within the rainy season and in this period the wind blows from the West, and is associated with the West Monsoon. The month of July, being within the dry season is associated with the East Monsoon.

By knowing the pattern and the monthly mean of rainfall at each region (see Figure 3.2), then an agroclimatic map of Indonesia can be drawn and, if combined with soil types, temperature, crop types, and planting dates can be used as input resources for crop yields forecast across the country. In turn, this forecast can be utilized to predict the food shortages at a certain area within the country as has been suggested by Steyaert and Strommen in the Disaster Preparedness Seminar for South East Asian countries in Manila in 1980.[Ref. 23].

Altitude is the most significant factor in temperature modification. Change in temperature is a result of varied

altitude often giving rise to frosts at night, particularly where there are sheltered depressions rather than open mountain side. In all parts of the archipelago, fluctuations in precipitation rather than any noticeable change in temperature define the seasons. Fog is fairly common in areas above 600 metres.



(*) Source: Disaster Preparedness Seminar, Manila, 1980.

Figure 3.2 Agroclimatic Regions in Indonesia.

Another important climate element in tropical areas of Indonesia is evaporation. The rate at which moisture is lost into the atmosphere influences plant growth as well as soil

formation and erosion. Where leafy forest covers the ground, as in the interior rain forest of Borneo, much of the rain never reaches the soil. This circumstance coupled with ill-planned deforestation, has caused much of the once forest-covered area to be bare and infertile.

The structure of most of the land in the country of Indonesia consists of three parts: low lands, high plains, and mountainous regions. The low lands constitute only a small part of the country and are found mostly along the coasts of Indonesia's main islands and river valleys. High plains are mostly found in the mountains and used to be lakes which are dried. In terms of land heights above sea level, Indonesia is classified into four zones:

1. the warm zone (up to 2,250 feet) is suitable for paddy cultivation, corn, tobacco, sugar cane, coconuts, rubber, kapok, and horticulture;
2. the temperate zone (2,250 to 4,500 feet) is suitable for coffee growing, paddy, tea, corn, cinchona, European vegetables, apples, and flowers;
3. the cool zone (4,500 to 7,500 feet) is still suitable for vegetables growing, tea, and fir; and
4. the cold zone (above 7,500 feet) where the temperature is below 11 degree of Centigrade and is too cold to allow agricultural activities.

Because of its geographical and geological structure, Indonesia also often become the victim of many disasters, like volcanic eruptions, mudflows, landslides, volcanic and tektonik earthquakes, also temporary and long-term river flooding. Tektonik earthquakes may also have caused tsunami's, which recently struck in Lomblen island, Flores island and Eastern Indonesia in 1979. Drought sometimes also strikes Java island.

B. DEMOGRAPHIC AND RACIAL BACKGROUND

Beside all of the geographical conditions which include the landslides, river floods, volcanic eruptions, earthquakes, and drought disasters as well as the fact that Indonesia is rich with natural resources on land and at sea, the demographic and racial background is also important and probably the most dominant factors in attempting to utilize all resources related to technology for national development.

During this pericd the first inhabitants in the Stone Age were called "Wajaks" (now famous with the name "Java Man" based on the theory of a famous France antrophologist Eugene Dubcis whc unearthed the fossil of early man in 1891. The "Java Man" was an Indonesian inhabitant for than one million years ago). These primitive men confined themselves to focd gathering, hunting, fishing, and knew of a very technic cf agriculture which consisted of a primitive way of cultivating sweet potatoes and the keladi roots. [Ref. 1].

A grand-scale migration happened during the Neolithic period (3,000- 2,000 B.C.) and brought a new era in the culture cf the population in this country. A portion of the immigrants with a higher level of culture came from the mainland of Asia, criginated from Yunan in South China. They were Sub-Mongolcid and came to Indonesia for centuries after they had been settling and assimilating with the Burmese and learned how to cultivate paddy, grown in wet fields in Burma. Then they settled and inter-married with Wajaks and dominated the indigenous inhabitants. They introduced the system of paddy cultivation in wet fields in Java because the land is more fertile and there because it has more coastal plain with adequate rivers to give enough water for cultivation.

Many years after that, in 1000 B.C. came other immigrants from India consisting of Indo-Arians who also brought their culture and religion. They inter-married with the already mixed races in Indonesia. Their culture and religion also influenced the local culture, mainly in the arts, handicrafts, religion, and philosophy. The most valuable things were the creation of Borobudur and Prambanan temples in Java island, temples in Bali island, and some monumental arts in Kalimantan.

In 1292 the first European, Marco Polo, visited Java and North Sumatra, and after that thousands of Spanish, Portuguese, Dutch, and, later British came to Indonesia. Beside they brought their culture and religion which also influenced local people, they also tried to occupy some areas as their homeland's colonies and to explore Indonesia's natural resources for their homeland prosperity. From this time history has shown the effort of the Indonesian nation to free itself from the Spanish, Portuguese, Dutch, and British until independence has really came in August 17, 1945 (after the long period of time it had been occupied mostly by the Dutch for 350 years, and by the Japanese for 4.5 years.

Islamic culture and religion influenced Indonesia after many Gujarati and Persians came to Indonesia in the 13th century. It started from Aceh in North Sumatra then developed along Sumatra, Java, Madura, Lombok, Kalimantan, and a bigger part of Sulawesi, and also Ceram island. The Islamic religion then gradually replaced the Hinduism of the Indonesians. (Now 90 percent of Indonesia are Moslem) except for the Balinese, some Javanese, and some Chinese.

Currently, approximately 300 ethnic groups occupy Indonesia. The archipelagic nature of the country has provided naturally discrete regions where ethnic groups have been able to develop a cultural core of their own, with

varying degrees of input from outside. The author strongly agrees with Bunge [Ref. 24] that "Indonesia is known to be a meeting ground of cultural forces". This is shown by the diversity of the cultures, customs, behaviors, handicrafts, and religions of every ethnic group which spread along the country from Aceh at the Northern part to Irian Jaya at the Eastern part. To the outsider, inhabitants identify themselves first as Indonesian, reflecting the loyalty caused by bitter experiences for a long period of time in the war for freedom.

Although modern culture has infiltrated Indonesia's society, the Indonesian people in general have the aptitude to maintain their traditional culture which is strongly rooted in the rural societies. Rural societies have a strong affinity to their rural leaders, such as "adat" chieftains beside their obedience to their religious leaders. The obedience to the "Adat Law" and also to the "Religion Law" which will appear later in this discussion become important because of their role in the national development which includes the transmigration aspect.

Though the Indonesian society for the greater part embraces the Islam religion, other religions such as Hinduism, Budhism, and Christianity do exist in peaceful co-existence with Islam. This peaceful co-existence was further promoted by the State philosophy of "Pancasila", which adheres to the belief in God Almighty and by the Indonesian 1945 Constitution which specifically stressed in Article 29 the freedom of worship in the country. [Ref. 1].

The economic and social pattern of Indonesia's society is variable in that those living on Mentawai islands west of Sumatra and in North of Irian Jaya with its isolated villages are oriented towards agriculture. The social structure in those villages has not yet developed into a significant stratification. Several village communities are oriented towards obtaining employment in the cities.

Communities which are very much oriented towards employment opportunities, particularly to become civil servants are found on the island of Nias west of Sumatra, in the Batak region in North Sumatra, the Minahasa in North Sulawesi, in Central Kalimantan, Flores and Ambon. This orientation was caused by the strong influence of Dutch culture in the past.

Rural communities have a more developed stratification in their social structure with farming as their main source of living but have in addition a variety of other activities and earning patterns. Such communities are found in the regions of Aceh, in North Sumatra, among the Minangkabaus in West Sumatra and around Ujung Pandang in South Sulawesi.

Communities on the island of Java are oriented towards farming, particularly in the growing of rice on dry as well as wet land. Rice is the main staple of the population. Besides farming, those communities have a variety of other activities and employment opportunities which are complex in nature. There is differentiation in social stratification. There is a movement toward employment in big cities as civil servants and other jobs in the private sector. This type of social pattern is also found on the island of Bali.

Based on these classifications of the social-economic pattern in many of Indonesia's regions, the conclusion can be drawn that the common social economic pattern of the Indonesian people is agricultural - oriented.

Important in this discussion are the Javanese and Balinese who have slightly different philosophies and behaviors They tend to ccoperate and easily to get along with other ethnic groups without prejudice. They are influenced by Hinduism and traditional ways of life in their community. They also are noted for high endurance, ability to work hard and flexibility. They also feel a strong connection to their birthplaces, particularly for the older and less

educated people. Their principle of life is "No matter if we can eat or not, living together in a relatively stable community condition in our birthplace is most important". This principle has eroded with time, especially as substantial numbers of these people get higher education and as the changes in environment cause the impact of technology cause living patterns is change to transfer from day-to-day, even to move scheduled forms though the change is gradual.

According to the result of a population census in 1980 [Ref. 25] the total population of Indonesia was 147,490,298 spreaded over 27 provinces with an annual growth rate (excluding East Timor) of 2.32 percent and population density of 77 per square kilometer. The population was unevenly distributed. For example, Java has a population density of 690 per square kilometer with an annual growth rate of 2.02 percent, while Maluku and Irian Jaya have only 5 per square kilometer with a 2.79 percent annual growth rate.

In terms of geography, 61.9 percent of Indonesia's population is found on the island of Java which accounts for only 7 percent of the whole of the Indonesian territory. This is why the population density on Java island was 644 per square kilometer in 1978 and became 704 per square kilometer in 1980 as shown in Table I.

By age-group, the largest part of the population in 1980 fell into the 5 to 9 year age group (21,267,168), followed by 0 to 4 year age group (21,049,945), then followed by 10 to 14 year age group (17,688,924) and the 15 to 19 year age group (15,427,986). While the 20 to 24 year age group was 12,902,969, and from 25 to 29 year age group was 11,234,730). These figures along with the distribution of population in the rural and the urban areas can be seen in Table II.

Table III shows the rough birth rates in Indonesia within the period of 1969 to 1970 where it can be seen that the average birth rate in Java and Madura was 42, while for the other islands outside Java was 48, and for Indonesia as a whole 44. Table IV shows the estimated mortality rates from 1961 to 1971.

From these estimates on mortality rates, it is assumed that the urban citizens have a longer life expectancy than the rural population. The assumption that the estimated mortality rate of urban citizens is lower compared to that of the rural people would appear also to be valid for infant mortality rate per 1,000 births.

The composition of population in the tables show that the population in Indonesia is unevenly distributed. For example, Java has area only 6 to 7 percent of the country's area but has more than 62 percent of the population, while the rest of the country only has 38 percent of the total population of Indonesia.

If the population composition above and with the fact that more than 62 percent of the labor-force (10 to 49 years old) are settled in Java with approximately 77.6 percent from these labor-force concentrated in the urban area, it can be predicted that at the end of the 20th century Indonesia will be faced with unresolvable demographic problems particularly in unemployment. The result will be poverty in the rich natural resources country unless these phenomena have been anticipated and efforts have been made to cope with them.

TABLE I

Population Density of Indonesia in 1978 and 1980

Area (in 1,000 sq.km.)		Population 1978 (in million persons)	Population 1980 (in million persons)	Population Density 1978 (persons per sq.km.)	Population Density 1980 (persons per sq.km.)
Java	135	87	95	644	704
Outside Java	1,892	50	56	26	30
Indonesia	2,027	137	151	68	75

(*) Scurce: central Bureau of Statistics, Jakarta, 1980.

TABLE II

Distribution of Population by age group in 1980

Age Group	Urban			Rural			Grand Total
	Male	Female	Total	Male	Female	Total	
0 - 4	2321698	2192326	4514024	8439001	8096920	16535921	21049945
5 - 9	2156548	2081176	4327724	8681732	8347712	17029444	21267168
10 -14	1982172	1943567	3925739	7198297	6564888	13763185	17688924
15 -19	1996475	2118402	4114877	5603933	5709176	11313109	15427986
20 -24	1738854	1770503	3509357	4197658	5195954	9393612	12902969
25 -29	1427781	1342145	2769926	4148534	4316270	8464804	11234730
30 -34	951201	913044	1864245	3012924	3212853	6225777	8090022
35 -39	887803	916612	1804415	3242471	3419771	6662242	8466657
40 -44	796074	758080	1554154	2881913	2985680	5867593	7421747
45 -49	585293	646887	1232180	2429693	2503269	4932962	6165142
50 -54	543810	546973	1090783	2156156	2179379	4335535	5426318
55 -59	373261	356063	729324	1354501	1329204	2683705	3413029
60 -64	285274	324630	609904	1282586	1385626	2668212	3278116
65 -69	151922	175986	327908	694715	741668	1436383	1764291
70 -74	117458	148796	266254	577596	728384	1305980	1572234
75 +	123819	166121	289940	593111	693439	1286550	1576490
Unstated	2448	2567	5015	14958	10732	25690	30705
Total	16441891	16403878	32845769	56509779	57420925	113930704	146776473

(*) Source: Central Bureau of Statistics, Jakarta, 1980.

TABLE III

Estimates of Birth Rates by Regions in 1960 - 1970

Region	Birth rate per 1,000
Special Territory of the Capital	
City of Jakarta Raya	40
Wets Java Province	44
Central Java Province	42
Yogyakarta Special Territory	37
East Java Province	40
A. Java	42
Sumatra	49
Kalimantan	47
Sulawesi	47
Other Regions	47
B. Other islands	48
C. Indonesia	44

(*) Source: Central Bureau of Statistics, Jakarta, 1980.

TABLE IV

Average Estimates of Mortality in 1961-1971

Region	Infant mortality rate per 1,000 births	Life expectancy at birth per year	Death rate per 1,000
Java:			
- Urban	110	52	15
- Rural	136	47	15
- Total	132	48	16
All other islands:			
- Urban	116	51	15
- Rural	151	45	18
- Total	147	46	17
Indonesia:			
- Urban	112	47	17
- Rural	141	46	17
-Total	137	47	17

(*) Source: Central Bureau of Statistics, Jakarta, 1980.

Awareness of these phenomena has caused the Indonesian government since the proclamation of its independence to put the prosperity for all Indonesian as the highest goal. The transmigration plan has been integrated into Indonesia's overall development plan.

C. MAIN PRINCIPLES OF INDONESIA'S DEVELOPMENT PLAN.

Indonesia has extensive natural resources like large reserves of petroleum and other mineral deposits, such as copper, bauxite, tin, and nickel.It also has forest lands not yet fully exploited that could, if utilized efficiently, support the present population at a much higher standard of living. However, because of the high growth rate the population will reach approximately 200 million by the end of the century (see Table V). This population increase is a major problem for the government of Indonesia. This is why an overall national development plan must include population planning.

Indonesia's development plan was initiated by Soekarno's government after the proclamation of Indonesia's independence in an effort to recover from 300 years of Dutch and 3.5 years of Japanese occupation.

The development plan at that time strongly emphasized national character building as a basic source for overall national development (Pembangunan Nasional Semesta Berencana). The basic idea at that time was that development cannot be realized without having a militant nation. This idea stemmed mainly from the long period of the Indonesian's effort to free this nation from the Dutch colonization. Because development in the mental ideology sector did not couple properly with the development in the physical sectors simultaneously, and the government was unable to create a favourable condition as a support means, the plan failed to

raise up the economic condition of the Indonesian people. This created a national conflict that caused the succession of the President in 1965.

Under Soeharto's leadership with almost of all key positions under his control, the national development plan was continued with several improvements.

TABLE V

Asian Projected Population (thousands)

Country	1975	1980	1985	1990
South East Asia	323,836	370,854	423,242	478,712
B r u n e i	147	160	175	189
B u r m a	31,240	35,195	39,687	44,573
C a m b c d i a	8,110	9,409	10,911	12,491
Indonesia *	136,716	155,624	176,317	197,519
L a o s	3,303	3,721	4,182	4,678
Malaysia	12,093	13,998	16,076	18,260
Philippines	44,437	52,203	60,862	70,119
Singapore	2,248	2,437	2,636	2,829
Thailand	42,093	49,473	57,784	66,752
V i e t n a m	43,457	48,634	54,612	61,302

(*) Source: United Nations, World Population Prospects 1970-2000, as Assessed in 1973, quoted in Georges Tapinos, "The World in the 1980s: Demographic Perspectives", McGraw-Hill, New York, forthcoming.

* Projections for Indonesia include East Timor.

Emphasis in national character building as a basis for national unity has been coupled with the physical development plan and has been directed to reach three basic targets, called the "Trilogy of Development" [Ref-1], which consists of:

1. To achieve a national dynamic stability in the economic as well as the political field.
2. To strive for a fairly high economic growth.
3. To achieve an equitable distribution of development efforts and an equitable distribution of the gains of development leading towards the realization of social justice for the whole of the Indonesian people.

Because of unfavorable political and environmental conditions post-Soekarno, it was an uneasy job for Soeharto's government. To accomplish these targets, a post-war military strategy has been applied to obtain a quick recovery in the key position level of the central government before starting with the national development plan.

This strategy was successful mainly because of Soeharto's leadership and his experience in military fields. He was able to persuade the military using the "Dwi Fungsi Abri" (Duo- functions of the Indonesian Armed Forces, which consists of a function as a stabilizer as well as a stimulater for national development) to create a favorable condition for starting national development, and at the same time, able to convince almost of all Indonesian technocrats to support the government.

Another benefit came from all social stratifications which have been born and saturated from the impact of political actions in the post-Soekarno era. The heavily centralized government system makes it easy to control any biases of the central government policies at all levels of government because each Governor has two different kinds of tasks: as central government's representative to coordinate all

central government's agencies in the province, and as the Head of the Region with full authority to make decision in his region as long as this decision has no negative impact on the central government policies.

Starting in April 1, 1969, the government launched the First Five Years National Development Plan which consisted of a systematic pattern of national development based on the Guidelines of State Policy formulated by the elected People's Consultative Assembly of the Republic of Indonesia.

The Guidelines for State Policy formulation are based on the principle that the essence of National Development is the development of the Indonesian Man in all aspects of life, and the development of the entire Indonesian Society. The basis for the execution of National Development therefore is Pancasila and the Indonesian 1945 Constitution [Ref. 26].

Furthermore, based on the National Development Plan the General Pattern of long-term Development covering a period of 25 to 30 years, has been drawn up in an effort to give direction to the advancement of the National ideals. This General Pattern of Long-term Development is intended to form the basic foundation for the formulation of the General Pattern of Five Year Development, the formulation of which is entrusted to the President/Mandatary of the People's Consultative Assembly.

The targets of Indonesia's long-term development efforts based on the Indonesia 1945 Constitution, in which is stipulated that Indonesia is to strive for the achievement of a just and prosperous society based mainly on the Pancasila principles within the Unitary State of the Republic of Indonesia. The Republic is independent and sovereign, in an atmosphere of security and tranquility, orderly but dynamic within the context of an independent, friendly, orderly and peaceful world relationship.

The principles of the National Development Plan in Indonesia are as follows [Ref. 1]:

1. The Principle of Utility. In this principle all development efforts and activities shall be utilized for the maximum benefit of humanity, for the advancement of the people's welfare and for the personal development of the citizens.
2. The Principle of Joint Efforts and the Family Spirit. All efforts to achieve the ideals and aspirations of the nation shall constitute joint efforts of the nation and the entire people carried out in the spirit of brotherly relationship and in mutual cooperation.
3. The Principle of Democracy based on Pancasila. This principle covers the fields of politics, social affairs and economy, whereby national problems shall, as far as possible, be solved through deliberations in order to achieve a consensus.
4. The Principle of Justice and Equity. In this principle the material and spiritual gains of development are equally enjoyed by the whole of the people and every citizen is entitled to enjoyment of the achievements of the development in accordance with his merits and services rendered to the State and Nation.
5. The Principle of Harmony of Life. This principle refers to a harmonious balance between the various interests, i.e. between worldly interests and those of the hereafter, between material and spiritual interests, between physical and mental interests, between individual and public interests, between the need of life on land, on sea and in the air, and between national and international interests.
6. The Principle of Legal Consciousness. In this principle every citizen of Indonesia shall always be aware of and be loyal to the law and the State has the duty to uphold and to guarantee legal security.

7. The Principle of Self-reliance. This principle means that the national development shall be based on the confidence in one's own capabilities and strength, and on identity of the nation.

Based on these principles, national development was to be achieved with the emphasis given to economic development, with the main targets to achieve a balance between the fields of agriculture and industry, and sufficiency of daily necessities of the people. This means that the greater part of development effort was to be directed toward economic development, while development in the other fields would have the nature of supporting and complementing the economic field.

The implementation of the national development is being carried out through stages, and in every stage priorities are to be selected as the prime strategic leverage. The objectives of each stage are to enhance the standard of living and welfare of the entire population and to lay a strong foundation for the next stage of development. The priority of each stage has been designed as follows [Ref. 1]:

1. First Five-Year Development Plan: Agricultural sector.
2. Second Five-Year Development Plan: Balanced development in the agricultural sector.
3. Third Five-Year Development Plan: Expansion of industries supporting agriculture.
4. Fourth Five-Year Development Plan: First steps towards the development of basic industries.
5. Fifth Five-Year Development Plan: Starting of the development of defence and security industries.
6. Sixth Five-Year Development Plan: Achieving a balance in overall development as the basis of self-sustaining growth.

D. INDONESIA'S TRANSMIGRATION PLAN

Transmigration as a government program to cope with the population problem in Indonesia principally the most densely populated Java island, has been underway since the Dutch occupied Indonesia as its colony. The first sign of the seriousness of population growth rate and density on the islan of Java was noticed by Sir Thomas Stamford Raffless, the Lieutenant Governor during the British period to occupy Java from 1811 to 1816 and was reemphasized by De Bus de Gisignies, Governor General of the Netherlands Indies from 1826 to 1830.

Both of them contended that the overcrowded population in Java could be reduced substantially by sending landless people and people on less fertile land from Java to the outer islands, mainly Sumatra, Kalimantan, and Sulawesi which are less populated and have virgin lands which are not yet been utilized.

The first application of these suggestions began in 1905 but they were forced to terminate in 1941 by World War II situation. The program was conducted by the Dutch government and was called colonization program. Its objective was to reduce the population in Java island. The first program sent 155 families from Central Java to Lampung in Sumatra, then several efforts to improve it were made. Private sector companies influenced by Dutch policies also sent people from Java to North Sumatra as plantation workers.

McNicoll [Ref. 27] shows in Tables VI and VII the progress of the colonization program from 1905 to 1941. World War II brought an end to the program. Under the Japanese which occupied Indonesia from 1942 to 1945 no such effort in this program exist.

TABLE VI

Sponsored Migrants in 1905 - 1941

Period	Total	Annual Average	Explanation
1905-1911	6,500	860	All expenses paid by Government
1912-1922	16,838	1,531	Financed by bank loan
1923-1931	4,000	440	Financed by bank loan
1932-1941	162,600	16,260	Bawon system

The first implementation of the Dutch government colonization program has planned and financed by the government.

After success with the first experiment, the government expanded the program using another method. All migrants were to be transferred to the sites free of charge and were to be covered for initial expenses through the first harvest time period. The migrants must then to pay-back all of the expenses after they succeed with their harvest to the People's Bank at Lampung. Practically speaking, this program was financed by loans from the bank.

The Dutch government was attracted by the willingness of the established settlers to offer some of their farm products to the new settlers in Lampung. The newcomers relieved the harvest labor shortages and thus everyone was able to minimize the colonization costs. The colonial government then implemented a new system which is called "bawon system" by transporting new settlers free of charge to some preselected areas in Lampung just before the harvest time, while the current settlers were responsible for the new settlers' expenses before they were able to glean their first harvest by themselves.

Beside the bawon system, the government also utilized the conventional system by opening some new colonization areas in Sulawesi and Kalimantan for the settlers from Java and Madura. In Sulawesi some rivers were utilized for irrigation. The settlers from Java in Kalimantan were introduced to paddy cultivation in the tidal areas and within some swamp areas, while the Madurese utilized upland areas for dryfarming as they had done in Madura before.

With the independence of Indonesia as a Republic in 1945, such effort in continuing the colonization as a way to cope with densely population in Java and to raise the low income people in order to reach national prosperity was made by the Indonesian government by making some of these plans and proposals. But no realization occured mainly due to the lack of decision in the central government to decide which Ministry would take in charge in this particular program.

TABLE VII

Distribution of Migrants up to 1940

Settlement Distribution as at	Destination of Migrants			
	end 1937		1938 - 1940	
	Number	%	Number	%
Lampung	73,499	78.0	78,483	60.2
South Sumatra (incl.Bengkulu)	9,825	10.4	21,179	16.3
J a m b i	---	---	1,945	1.5
North Sumatra (estate Concession)	9,765	10.4	2,138	2.3
Sumatra	93,089	98.8	99,745	79.6
Kalimantan	---	---	2,976	2.3
Sulawesi	1,089	1.2	23,580	18.1
T o t a l	49,178	100.0	130,301	100.0

Tjokroamidjojo [Ref. 28] noted that a study of various possibilities for organizing and carrying out a new program of internal migration was conducted by the Economic Brain Trust under the chairmanship of Mohammad Hatta, then the Vice-President of Indonesia. From this study a program finally became operative under the name of "transmigration" instead of "colonization" program in 1950 due to the political situation.

Since 1950 organized transmigration efforts were truly revived. Planning was undertaken, new policies were formulated, organizational requirements were defined, and surveys of various aspects of transmigration activities were initiated. A special advisory committee was formed in 1951 to assist in the implementation of the transmigration projects. This committee composed of various ministries was intended to be a forum for achieving a better coordination of the many activities relating to transmigration in which different government agencies had become involved.

A senior official in the Ministry of Home Affairs chaired this committee, while the Head of the Transmigration Service served as Secretary. A public corporation was then created with responsibility for land clearance, while land surveys were conducted by the Land Survey and Land Use Office.

Actually, planning of the transmigration program was done mainly by the Transmigration Service and close coordination was maintained with the National Planning Bureau, which at that time was engaged in formulating a Five-Year Development Plan (1956 - 1960) under Soekarno's government. This was concerned largerly with the priorities for expenditures in the public sector to stimulate the country's economic development.

From 1956, management of Indonesia's transmigration program has continued as the responsibility of the

Transmigration Service. The only change has been the succession of the head of this service several times which has had a significant impact upon the general policies of this service.

Other government and semi-government agencies, such as the Bureau for National Reconstruction (BRN) and the Corps of National Reserve (CTN) were given assignments to organize the resettlement of persons such as those who had served in the Indonesian Army.

In 1960 the government launched Statute Number 29 of 1960 concerning the basic policy for the implementation of transmigration. This statute was followed by Statute Number 5 of 1965 concerning the National Transmigration Movement. These statutes function as general guidance for the central and local government particularly for the official agencies related to the transmigration program.

A new style of self-help transmigration (Transmigrasi Swakarsa Gaya Baru) was encouraged in the period of 1966 - 1968. Such migrants were also referred to as "spontaneous" meaning those who paid their passage to the settlement area and thereafter received the same government aid as regular migrants until they become settled.

Spontaneous transmigrants were placed in some locations near the settlements of the regular transmigrations after the latter were established. Since the spontaneous transmigrants had to build their own houses, they were accommodated in the dwellings of established settlers or in transient dormitories provided for the purpose until their own houses were completed.

The organization of the Transmigration Service then was changed to become the Directorate General for Transmigration under the Department of Transmigration and Cooperatives in order to integrate the activities of the cooperatives systems. Its main target was the low income level of certain citizens, especially the transmigrants.

In 1969 the First Five-Year Development Plan under Soeharto's government was launched. It was designed to raise the living standards of the Indonesian by increasing the production of food and other consumer goods and by improving the conditions of health, sanitation, education, housing, labor, and public welfare in general.

Part of this national development plan and one of the primary elements in Indonesia's attempt to solve its population problem, was the program for resettling people from the densely populated regions to those land areas which possessed a high development potential but only a low man/land ratio. Hence, an economic motive was also strongly evident for the development of all of Indonesia as a nation.

Responsibility for the task of resettlement remained in the office of the Directorate General for Transmigration in the Department of Manpower, Transmigration, and Cooperative, which was designed to coordinate both population and manpower policies within a single ministry.

In 1972, in the fourth year of the First Five-Year Development Plan under Soeharto's government, again the government launched another regulation dealing with the transmigration program. Statute Number 3 of 1972 concerning the basic stipulations for transmigration became a new guideline for the government official agencies to replace Statute Number 29 of 1960 and Statute Number 5 of 1965. These two laws were no longer appropriate or helpful to the expansion of both national and regional development.

The main consideration for launching this new Statute was the fact that the government after the national development plan had been implemented for several years, it has been realized that there was even a more severe increase in population and more imbalance in the distribution of population, in comparison with both available employment

opportunities and the potential offered by natural resources in Indonesia. There was thus a recognized need for the implementation of transmigration, which represents a national responsibility as one course towards successful development, security, and national unity. [Ref. 29].

According to this Statute, the target in general transmigration policy as has been clarified in Clause 2. It is the implementation of an organized, self-motivated (spontaneous) transmigration on a large-scale to achieve:

a. an improvement in living condition
b. regional development
c. a balanced distribution of population
d. equally distributed development throughout Indonesia
e. beneficial use of natural and human resources
f. national union and unity
g. a strengthening of national defence and security.

Based on this Statute and other relating Statutes the government issued the Government Regulation Number 42 of 1973 concerning the implementation of transmigration. This regulation clarified who has the responsibility and authority to implement the transmigration program, including the classification and the right of each transmigrant before and after settling. [Ref. 30].

The advisory committee which was formed in 1951 was considered to be an insufficient tool for assisting the Directorate General of Transmigration to implement the development plan in the transmigration area, particularly with the rapid changes of transmigration development in the recent years. So, a reorganization of this body became apparently important.

Tjokroamidjojo [Ref. 28] noted that Presidential Decree Number 29/1974 provided the organizational structure for external linkages and for internal coordination at national,

provincial, and district levels in implementing the Indonesia's Transmigration and Rural Development Program, while Presidential Decree Number 44/1974 specified a new organizational structures for all Department levels. The presidential Decree Number 45/1974 then gave the details for restructuring the administrative and secretarial functions in all levels of each Department, including the Directorate General for Transmigration.

In 1978 the government issued Presidential Decree Number 26/1978 concerning a Coordinating Body for the Implementation of Transmigration. With this decree the Coordinating Body which was formed by the Presidential Decree Number 29/1974 was no longer needed. With the Presidential Decree Number 70/M of 1978 concerning the Appointment of Junior Ministers, the Directorate General for Transmigration was changed to be under the Minister for Manpower and Transmigration. The Directorate General for Cooperatives was changed to become the Department of Cooperatives.

From the Dutch colonization program to the Indonesian transmigration program, the planning process has been conducted by the government agency with the pattern: land survey, land selection followed by land clearing and reclamation, transmigrants' selection and procurement, transportation of the transmigrants to the provided sites, and evaluation.

For the transmigration program, the policy concerning the number of transmigrants each year, choosing location, etc. depended upon the budget constraints, and the general policy of the central government at that time. For instance, the following were considered: how many transmigrants came from the Armed Forces to build-up the internal security of the community in order to develop an integrated national security through civil defense systems? What was the

availability of the proper land for each type of group of the transmigrating? Were farmers from Java and Bali settled in different locations with the fisherman's transmigration from Madura or from Bugis and Buton, in order to maximize the land utilization?, etc.

The planning process, as with other government agencies, recycled every year using the same time pattern. General policy was derived by the Department of Manpower, Transmigration, and Co-operatives from the State Master Development Plan which was prioritized from year to year within Five-Year Development Plan. Based on the Department general policy, the Directorate General of Transmigration then started to make the draft of its plan for that year. This draft which was to be classified into two groups: Project Proposal List (DUP stands for Daftar Usulan Proyek) and Activity Proposal List (DUK stands for Daftar Usulan Kegiatan).

These two proposals then were submitted to the Department level. After reviewing all of the proposals which came from all Directorate Generals within that Department, the Department then compiled those proposals and integrated them into the Department DUP and DUK, and submitted to the National Development Planning Agency (BAPPENAS stands for Badan Perencanaan Pembangunan Nasional).

BAPPENAS then reviewed all DUPs and DUKs from every Department and synchronized them with the State Master Development Plan for that year and the budget availability. If everything was clear, those proposals then were approved and sent back to each Department for further processing.

Based on these approvals, the Department then prioritized the projects and activities at each Directorate General based on the budget constraints and the importance of each project or set of activities to be given a priority.

Based on these priorities, the Directorate General of the Transmigration as well as the other Directorate Generals in the Department of Manpower, Transmigration, and Co-operatives then made a Project List Content (DIP stands for Daftar Isian Proyek) and Activity List Content (DIK stands for Daftar Isian Kegiatan).

All activities and projects would be implemented based on the priorities and the availability of the budget authorization which was issued every quarter of each year from the Department of Finance after the budget planning made by President for that year has been approved by the People's Consultative Assembly (DPR stands for Dewan Perwakilan Rakyat).

The control and the evaluation of each project and each activity was done hierarchically by the project officer, the Director General, and the Inspector General of the Department of Manpower and Transmigration using project and activity reports which were done quarterly, semi annually, and yearly beside inspections on the spot at the sites of the projects and activities.

IV. STRATEGIC PLANNING IMPLEMENTATION IN INDONESIA'S TRANSMIGRATION PLAN

A. ACHIEVEMENT OF THE INDONESIA'S DEVELOPMENT PLAN

In order to understand of Indonesia's transmigration plan, it is important to discuss first the development plan, since the transmigration plan is an integral part of the development plan.

Indonesia's development plan has been achieved after the Soeharto era. In the Soekarno era achievement of the development plan was emphasized mainly in the political field, and was influenced by Soekarno's ambition to be a successful leader and bring the Indonesian nation its independence.

It was mentioned earlier that Indonesia's development plan was based on the general policy determined by the People's Consultative Assembly and has since become the guideline for the State Policy in the formulation and the achievement of the Indonesia's development activities in every aspect of the nation's life. Utilizing the seven integrated principles of the development plan has enabled the nation to reach the three basic targets which have been called the "Trilogy of Development".

Decree Number IV/MPR/1978 on the Guidelines for State Policy 1978 [Ref. 26], has outlined the course to be followed in order to be able to realize the desired condition within the next five-years in the context of long-term continuity. It has been formulated systematically into a General Pattern of Development in the context of overall and complete inter-relationship. It is comprised of a series of Development Programs in all fields to be carried out simultaneously, in order to realize the national objectives as stated in the Preamble of the 1945 Constitution.

Furthermore, the primary objective of the development plan is the establishment of a strong foundation in the Indonesian nation for growth and development toward a just and prosperous society based on Pancasila. The emphasis is on economic development with the targets being to achieve a balance between the fields of agriculture and industry, and sufficiency of daily necessities of the people. This means that the greater part of development efforts should be directed toward economic development, while the development in other fields should be in nature of supporting and complementing the economic fields.

In order to achieve the first target in the Trilogy of Development, the Government achieved a condition of dynamic national stability in both the economic and political fields which has been regarded as essential to ensure changes without disturbance.

A fairly high economic growth, the second target, means that the development efforts need large investment in order to be able to lay down the foundation for following phases of development with which to enhance public welfare and the equitable distribution of development gains.

Emphasis of the achievement of Indonesia's development plan has been given to the third target, equitable distribution in the agricultural sector. This includes construction of dams and irrigation networks, research to obtain high quality seeds, the training of agricultural extention workers, the development of rural areas and villages of all regions of the country, the development of infra structure related to communications, electricity, etc. Development in the sector of education by building more elementary schools, high schools, and universities also has been emphasized.

The achievement of the third target of the Trilogy also has been emphasized by assistance to economically weak brackets through the supply of Mass Guidance (BIMAS, stands

for Bimbingan Massal) and Mass Intensification (INMAS, stands for Intensifikasi Massal) loans and guidance to increase food production. Small Investment Loans (KIK,stands for Kredit Investasi Kecil) are available to the small merchants, and Permanent Capital Investment Loans (KMKP, stands for Kredit Modal Kerja Permanen), and guidance in the management and growing of cloves, coconuts, cashew nuts, and other agricultural commodities are also available.

It has been the National concensus that the achievement of these three targets of the national development plan could not be reached within the time period of one year or two, or even five years. A long period of time, namely 25 to 30 years needs to be prioritized and broken down into several stages.

For Indonesia's development plan, the government used a succession of five-yearly periods of time, predicting that all of the three targets could be reached within 25 to 30 years after. One thing must be noted here, that each stage of the Five-Year Development Plan must become the foundation for the next Five-Year Development Plan, so that each stage is an integral part of the Plan as a whole.

Each stage provides directions for the projected development process and determines the scale of priorities. To do this, the detailed operational execution of programmes and projects are expressed in the government annual budget, which in effect constitutes a major portion of the annual plan.

Based on Decree Number IV/MPR/1969 [Ref. 31], the First Five-Year Development Plan had the main aim to develop Indonesia's economy, particularly in those sectors which might improve the income of the people and provide more equitable distribution of national income. Highest priority was to be given to the agricultural sector by stepping up production and food supply. However, additional efforts were made to develop a more balanced economy.

In order to reach the aim of the First Five-Year Development Plan, other efforts were also made in relation to achieving a balance between the development of the central region and the outlying regions particularly in employment opportunities.

The whole scheme of the national development effort is constrained by the desire for a balanced monetary system so as not to disturb the stability of the economy and a balanced budget. Also, it was intended to avoid an increase of the overseas debt position.

The main aim of the Second Five-Year Development Plan according to Decree Number IV/MPR/1973 [Ref. 32] is to increase the welfare of the entire people of Indonesia, and to lay down a strong foundation for following phases of the Development Plan.

Each stage also functions as a follow-up to the earlier stages to assure increasing improvement in the production of goods and services, and the acceleration of the flow of goods. Each also serves to settle unsolved problems which occured during the implementation of the earlier stage.

Wider participation in development efforts was encouraged by assisting and extending more guidance to the development of the private sectors, to encourage private initiatives by providing incentives to stimulate the increasing of potential in order to accelerate the speed of development.

The Guidelines of State Policy of the Republic of Indonesia 1978 [Ref. 26] stated that the Third Five-Year Development Plan should strive to expand the various fields and devote greater attention to the improvement of people's welfare, more equitable distribution of income and expansion of employment opportunities. Furthermore, those systems which were applied to the various fields or problems during the earlier stage which could not yet be solved completely, should be attended.

The priority of the Third Five-Year Development Plan is for economic development with emphasis on the agricultural sector to increase self-sufficiency in food, while promoting the industrial sector to process raw materials into basic materials and finished goods. The is to achieve a balance in the economic structure of Indonesia. In line with the priority on economic development, the development in the political, social, and cultural fields, should be intensified in conformity with the progress achieved in the field of economic development.

B. ACHIEVEMENT OF THE INDONESIA'S TRANSMIGRATION PLAN

The achievement of Indonesia's Transmigration Plan and how it changed over time depended upon the socio-political situation and the government's overall policies at that time. A number of efforts were made by each of the government since the Dutch colonization in order to achieve the goal which had been formulated before. For example, the success of the achievement of the transmigration plan in the era of Soekarno (mainly caused by his leadership) convinced the political leaders at that time to increase nationalism motivation in order to influence their followers to make the transmigration program a great success. In this case, the achievement of the plan tended to be more political.

In general, if compared with the Dutch colonization program, the achievement of the Indonesia's Transmigration Plan has more stable objectives, continuous, and integrated within the National Development Plan, particularly since the First-Five Year Development Plan which has been launched in 1969.

Sastrosoewarno [Ref. 33] has drawn up a chart on general activities of the transmigration process-cycle based on the basic stipulations and regulations issued by the government. These are summarized as follows.

1. Macro Planning. This phase began in the year (T-4) before the actual transmigration began. In this phase the State Policy guidelines consisted of aerial survey, evaluation of the implementation system of the last project, and planning for the transmigration's target that is to be reached. The aerial survey guidance is then followed by the aerial identification which consists of socio-economic surveys and basic mapping of the areal. The soil and hydrology evaluation is then made after the mapping is completed. All of these activities are needed for the next step at year (T-3), a plan for land utilization, irrigation, land classification, etc. Financial planning can then be projected for five years. The planning for the transmigration's target within five-years must be synchronized with the budget constraint, areal availability, regional and national securities, and many others, related to the national development as a whole which has been characterized by seven principles of development which must work simultaneously as a solid system.
2. Micro Planning. This phase is done in the year (T-2) and is based on the five-year development program which was generated at the end of year (T-3). In the Micro Planning phase the yearly plan consists ofdetailed aerial mapping and design; construction design for infra structures consisting of such things as artery-road within the settlement area, drainage, irrigation, etc.; preparation for land clearing equipment; material procurement and warehousing; tests for farm and hard-crops' seed, etc. As has been mentioned earlier that the yearly plan must be done using planning-cycle procedure by utilizing DUP/DUK and DIP/DIK forms in order to maximize the synchronization of the development activities in every level of each Department and its interre-

lation with other Department(s). In this phase, the implementation of last year's plan has been evaluated and to be used as an input for improvement of the next year's plan.

3. Settlement Preparation. After the Micro Planning phase has been completed in year (T-1), the Settlement Preparation phase begin with land clearing for housing, artery-road, farms, etc. This is followed by infra structure development; construction design for housing education and health facilities; planning for transmigration target accomplishment such as selecting equipment for transmigration information; and selection of the original areas, food, seeding, etc. These activities complete the preparation for the transmigrants' arrival.

4. Transmigration Settlement. This phase is begun after four years of transmigration planning and preparation. In this phase many activities must be done before the transmigrants actually are settled. For example, houses for the transmigrants and the officials, offices, health and educational facilities, community centers, markets, utility building for religion purposes must be built and completed in proper areas. Many activities must also be performed at the original location of the transmigrants. These include administration procedures relating to the departure of the transmigrants, pooling them in transit areas, transportation and other logistic support before and after they actually have been settled.

5. Assistance in the Transmigration Location. After the arrival of the transmigrants at the settlement location, they must be assisted in their adjustment to the new environment, local people, farming and hard-cropping techniques, etc. In this phase evaluation of the implementation of the transmigration plan must proceed continuously for five years from the time of their

arrival at the settlement area. If the result of the evaluation shows that the implementation has been successful, the responsibility for the project then is given to the Department of Home Affairs.

The planning formulation for all activities in the process-cycle above has been done initially by the Directorate General for Transmigration while the implementation has been accomplished by a Coordinating Body. This organization is formed in order to provide a non-structural agency whose basic task is to assist the Minister for Manpower and Transmigration in the formulation of short-term, middle-term, and long-term transmigration program that are both integrated and unified and also in the coordination and control of implementation of the transmigration program in the context of the general policies laid down by the government. [Ref. 34].

The Chairman for this body was the Minister for Manpower and Transmigration with the Secretary of the Director General of Transmigration, while the members consist of the Minister for Home Affairs, the Minister for Public Works, the Minister for Agriculture, the Minister for Communications, the Minister for Regulation of the State Apparatus and Deputy Chairman of the National Planning Board, the Minister for Supervision of Development and Environment, the Minister for food Production, the Junior Minister for Transmigration, the Junior Minister for Cooperatives, and any other Ministers whose membership is regarded as necessary by the Coordinating Body.

The daily work of the Coordinating Body is to be handled by a Daily Executive who functions as the Transmigration Control Unit, and the Junior Minister for Transmigration acted as the Chairman, while the Director General of Departments and the Head of the the Agencies of the same level became the members of this unit, where their tasks are

connected with the implementation of the transmigration plan.

Clause 21 of Presidential Decree Number 26/1978 [Ref. 35] stated that the Coordinating Body has four basic tasks. First, to discuss the formulation of operational policies and transmigration plans and program including decisions about the transmigration settlement locations that have already been prepared by the Transmigration Control Unit. Second, to discuss problems that arise in connection with the transmigration policy and program implementation. Third, to discuss any other problems connected with the implementation of the transmigration. Fourth, to make decisions related to the above mentioned matters in the context of supporting and facilitating implementation of the transmigration plan.

In order to get more effective work in the coordination of the implementation of the transmigration plan, the Coordinating Body has been furnished with the similar structure of organization in the provincial and district level (see figure 4.1).

The Units for Promotion of Transmigration at the Provincial Level have five major tasks and responsibilities: First, to coordinate and supervise implementation of transmigration settlement projects in the area by the various departments and agencies as already decided by the Coordinating Body; secondly, to coordinate, control and supervise implementation in the fields of information, registration and selection, collecting and transfering relevant information to transmigration in the area of origin at the provincial level; third, to coordinate, control and supervise implementation in the fields of provision and safeguarding of land for the establishment of settlements, placement of transmigrants, guidance and expansion in the receiving areas at the provincial level; fourth, to solve

problems that arise in the province connected with the implementation of the transmigration program; and lastly, these Units have responsibility to put forward suggestions to the Chairman of the transmigration program.

The Units for Promotion of Transmigration at the district level perform similar functions at the provincial level, but in the district level there are two more organizations which function at the operational organization level. The Regional Coordinator has a function as the coordinator of a number of Transmigration Settlement Unit projects. This organization performs the tasks involved in promotion and has competence and responsibility for the coordination of the activities of Project Units undertaken by each different department or agency and carried out in several Transmigration Settlement Units in accordance with the instructions and stipulations issued by the Chairman of the Transmigration Control Unit.

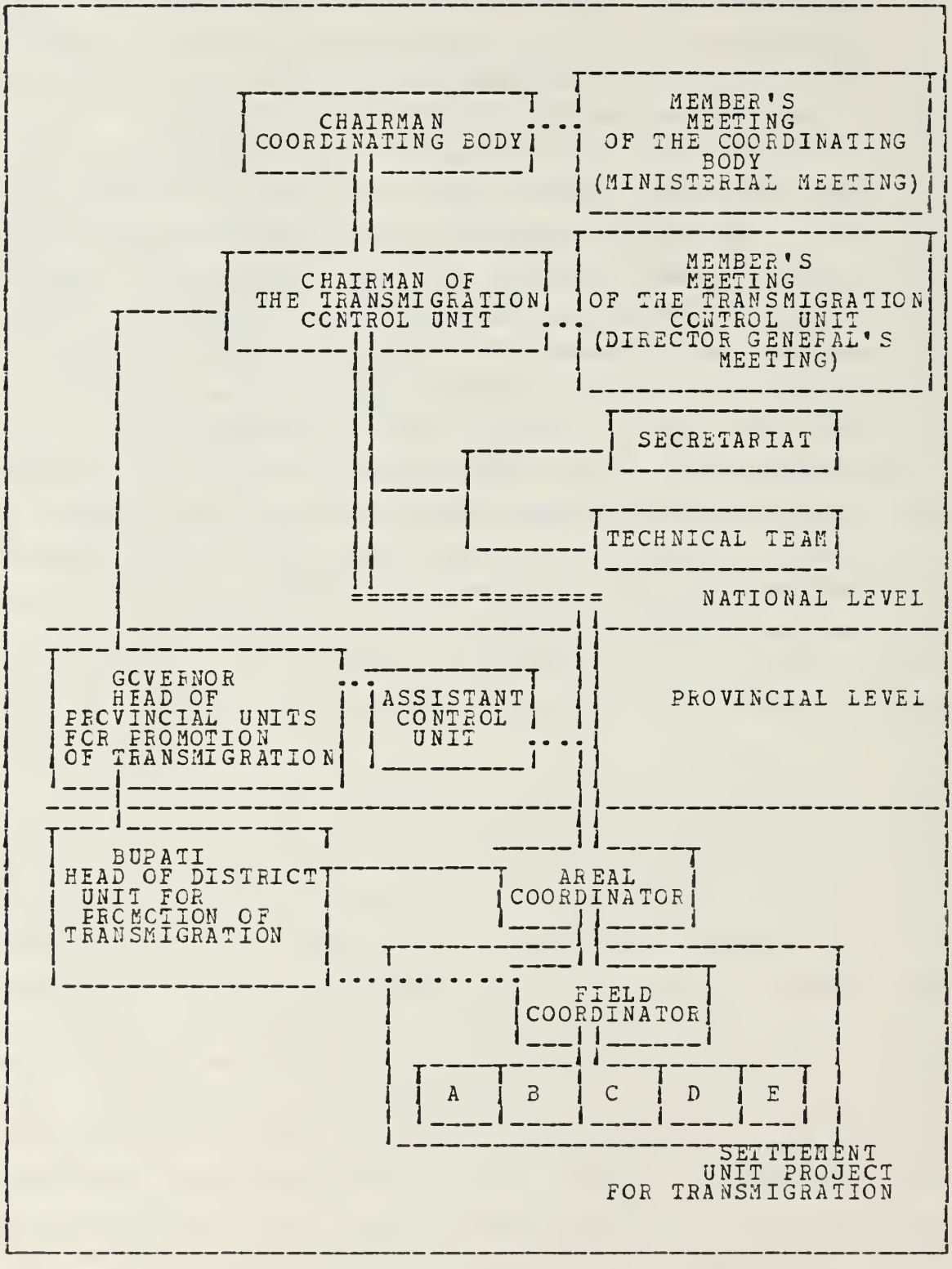


Figure 4.1 The Coordinating Body for Transmigration.

The Field Coordinator functions as the coordinator of a Transmigration Settlement Unit Project which performs the assigned tasks and has competence and responsibility for coordination of the activities of a project unit undertaken by each different department or agency and carried out in the Transmigration Settlement Unit in accordance with the instructions and stipulations issued by the Chairman of the Transmigration Control Unit.

Radford [Ref. 36] stated that the procedure for strategic planning consists of four components (underscored by the Author). First, review of the mission and objectives of the organization concerned, including an explicit search for aspects of previously-agreed upon missions and objectives that may need to be changed in the light of recent development; secondly, consideration of existing and future decision situations in which the organization is involved; thirdly, planning for implementation of the courses of action necessary to achieve the desirable outcomes in the decision situations selected for participation; and fourth, the review and reappraisal of the work done in each of the above components.

If this theory is to be related to the general activities of the process-cycle in the transmigration above, all of the components of the strategic planning must be accommodated in the process-cycle. For example, the first component has been accommodated in the Macro-planning, while the second and the third components have been accommodated in Micro-planning and the two following phases. The last component of the strategic planning can be seen in the last phase of the process-cycle.

Furthermore, Radford mentioned that there are three factors that can lead to unsuccessful results in the implementation of strategic planning. First of all, if there is an unsatisfactory coupling of the strategic plan to the

actions necessary to implement it, there will be problems within the organization and in the external decision situations with which it is concerned. Secondly, if insufficient attention is paid to the negotiation of outcomes in the external decision situations there will likely be future trouble and third, there is may be a defect in the basic planning process itself.

In the implementation of strategic planning in Indonesia's transmigration plan, several government agencies have been involved. The problem is that the intensity of the involvement of each government agency depends upon the intensity of the coordination within the Coordinating Body and how the perception of the each Ministry relates to this program since the tasks and the responsibility to its own department must also be accomplished properly. Participation in the transmigration program is only a supportive function for their agencies.

This problem can be related and fit to the first and second factors given by Radford above, and could relate to that several problems occured in the implementation of the transmigration plan. For example, because of the target which must be fulfilled in the area of origin forced the authorities of that area to include ineligible migrants which will cause further problems in the settlement area, e.g. the increase in the rate of criminality. Another example is the unsynchronicity of work between one government agency with the others caused by the priority principles within each government agency. This causes ambiguity in the proportional judgment of the decision maker between the major task within the agency and the supportive function which must be done in the transmigration program.

This problem occured for example in the Way Seputih settlement project where the irrigation facilities which had been expected would be completed by the Department of Public

Works, as has been mentioned in the Five-Year Plan for 1956 - 1960, in the implementation found that nothing had been done by this department because the priority of the project had been changed to another project area as was decided by the Ministry of the Public Works.

For the third factor, the defect in the planning process itself caused insufficient output of the experts within each government agency. The lack of experts output was due to a lack of accurate data analysis, which in turn caused several weaknesses in the planning process. For example, the government allocated 2 hectares of land to the transmigrants without considering the possibility of the rapid development of the settlement areas particularly at the fertile area, or the growth rate of the population in the settlement area. The impact caused several problems, For example, conflict arose between transmigrants and local residents because the transmigrants had expanded their land without notice that those lands belonged to the Marga. (Marga is local residents' community which has authority based on the Adat laws). They resettled the overcrowded settlement areas and forced movement to the other settlement areas, etc. The planning also had a lack consideration in marketing of the production, adequate infra structure facilities, environment development, etc., which caused other problems to occur such as the conflict between transmigrants from Bali and Java, between Balinese with local residents in Sumatra and Sulawesi caused by the environment. In this case the transmigrants left their settlement from a certain area in Kalimantan and Sulawesi because of the infertile land, drought, the timber boom, etc.

Another problem is the lack of coordination and synchronization. For example, the delay of potential transmigrants in the origin area moving to the settlement area caused the eagerness of the new transmigrants to decrease

significantly and the budget which has been provided could not be utilized.

The defect in strategic planning also has been caused by insufficient contingency planning for natural disasters which cannot be predicted properly. Inadequate budgets for utilizing modern technology like LANDSAT, sophisticated computer systems for farming and agricultural analysis, etc. even assistance in research and development including loans which were provided and given by foreign agencies such as USAID, UNDP, the World Bank, the Asian Development Bank and by foreign Government teams (such as those from the Netherlands, West Germany, and the UK) in both planning and finance were not fully utilized.

The Author believes that in the strategic planning inplementation in Indonesia's transmigration plan the principles to successfully practice strategic management as has been suggested by Collier in the earlier chapter has been implemented. The lack of implementation of these principles probably is in the intensity of the implementation of each principle. This requires the interpretation of each decision maker to the transmigration plan that need a high degree of coordination between each department and agency which was involved in this plan.

V. CONCLUSIONS AND RECOMMENDATIONS

A. CONCLUSIONS

In the discussion of the preceding chapters, the strategic planning implementation in Indonesia's Transmigration Plan showed several weaknesses and inconsistencies which caused unsuccessful efforts in accomplishing the transmigration objectives.

For the transmigration plan which become an integral part of the national development plan in Indonesia, because of the complex factors that must be accommodated, such as in national security, equal regional development and prosperity, budget constraints, etc., the process of planning and the implementation became more complicated since this planning needs a high degree of coordination and sychronization among the related departments and agencies.

The organizational change which happened in a relatively short term caused the implementation of the planning to become interrupted with administrative procedures, changes in policies, etc.

The unrealistic target such as the plan to move 1.5 million people per year without any consideration of the capacity of the land clearing, budget constraint, infra structure availability, etc. will distract and lead to a decline in the spirit or energy level from the personnel who have been assigned to implement this program.

Several factors need to be improved in order to get more successful implementation in the future.

B. RECOMMENDATIONS

As recommendations for the improvement of the Strategic Planning Implementation in Indonesia's Transmigration Plan, the Author suggests some recommendations:

1. The formulation of the project goals and targets should be realistic based on the actual data of the supportive capabilities.
2. Increase the degree of coordination between each department and government agency related to the transmigration plan in two areas. First, coordinate planning within each department and government agency which has interfaced with the transmigration program. Second, activate the Coordinating Body into its proper function.
3. Increase the input of experts in the demographic problems as well as with the input of experts in related fields such as land surveys, land clearing, etc.
4. Minimize the change to the organization in order to avoid time inefficiencies caused by reorganization.
5. The function of leadership should be oriented toward the development type (creative and innovative) which is more adaptable to technology transfer such as to utilizing modern technology (LANDSAT, etc.) with regard to the budget constraints and the balance of the environment.
6. Utilize the DUP/DUK and DIP/DIK planning procedures to increase the degree of synchronization of work among the related department and the government agencies in order to speed up the realization of the target accomplishment.
7. Incorporate the impact of socio-politic considerations in the contingency planning in order to maintain the continuity of the implementation.

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